



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LANSING

KEITH W. COOLEY
DIRECTOR

ENERGY CODE COMMITTEE
DEPARTMENT OF LABOR & ECONOMIC GROWTH
BUREAU OF CONSTRUCTION CODES
Administrative Conference Room, First Floor
2501 Woodlake Circle, Suite 116
Okemos, Michigan 48864

MEETING NOTES

June 24, 2008
10:00 a.m.

MEMBERS PRESENT

Tom Berger
Peter Derkos
John Faellaci
Steve Farrar
David Gard
Mathew Jarvi
Larry Kaufman
Tim Mrozowski
Roger Papineau
James Renaud

MEMBERS ABSENT

Damian Hill
Kelly Hunt

DLEG STAFF ATTENDING

Mr. Henry L. Green, Director
Mrs. Holly Velez, Secretary to Mr. Green
Shannon Matsumoto, Rules Analyst
Dianne Barmes, Rules Analyst
Todd Cordill, Assistant Chief, Plan Review Division
Pat Hudson, Energy Office
Beth Aben, Deputy Director
Irvin Poke, Chief, Plan Review Division

OTHERS IN ATTENDANCE

Alecia Ward, Midwest Energy Efficiency Alliance
Anne McKibbin, Midwest Energy Efficiency Alliance
Lee Schwartz, MAHB

Providing for Michigan's Safety in the Built Environment

BUREAU OF CONSTRUCTION CODES
P.O. BOX 30254 • LANSING, MICHIGAN 48909
Telephone (517) 241-9302 • Fax (517) 241-9570
www.michigan.gov/dleg

DLEG is an equal opportunity employer/program.
Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

1. CALL TO ORDER

Henry Green called the meeting to order at approximately 10:00 a.m.

2. COST ESTIMATE CORRECTIONS

Todd Cordill provided an overview of the Summary of the Cost Estimates for Energy Code Rules, which included discussion on the breakdown of how the estimates were determined. Mr. Green informed the Committee that based on a question raised at the last meeting, the correction was made regarding the cost differential between full height insulation versus the lower insulation value on the basement wall.

3. ENERGY CODE PAYBACK SCHEDULE

As a result of the correction made regarding the cost differential between full height insulation versus the lower insulation value on the basement wall and because of concerns with cost savings and the escalating cost of fuel, staff prepared a Code Payback Schedule table that shows escalating energy costs based upon first year savings and taking a 10%, 15%, and 18% increase in annual costs over the years for all three zones. The payback schedule shows that the savings would be achieved between the first 7 to 10 years depending on the type of structure and the zone. Committee member, David Gard, provided a resource document that reflects Residential Energy Cost Trends for Natural Gas and Electricity. Todd Cordill provided a demonstration using the numbers provided in this schedule.

4. RULE PROCESS SCHEDULE

Dianne Barmes presented and reviewed a Tentative Rule Processing Timeline. The timeline provides a general idea of the rule process, the anticipated target dates for holding the Forum, Public Hearing, and submission of the proposed rules to the various agencies for an anticipated April 2008 effective date.

Tim Mrozowski questioned if staff would verify the coefficient with the 2 tables at the end of the residential codes to assure that the correct coefficient was included in the table. Mr. Green assured that staff was taking care of this.

Mr. Green introduced Alecia Ward who prepared and provided information relative to market availability of windows based on a question raised in an earlier meeting.

Mr. Green informed the Committee that staff would prepare a report of the committee that would include the elements discussed today and a synopsis of what we went through, the kind of calculation, and how we got to the conclusions for the work that you have done.

Steve Farrar questioned whether it was possible to look at the energy savings in relation to the increased mortgage payment that would result from the added cost. Mr. Green indicated that an economist would need to determine this and that staff would reach out to MSHDA for an Economist that could do this type of work. Unfortunately the Energy10 Software is unable to calculate this type of information.

5. ADJOURNMENT

The meeting was adjourned at approximately 10:50 a.m.